

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6196**  
**BILL NUMBER: HB 1210**

**NOTE PREPARED: Feb 12, 2009**  
**BILL AMENDED: Feb 12, 2009**

**SUBJECT:** Psychiatry Development Programs.

**FIRST AUTHOR:** Rep. Brown C  
**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill creates the Mental Health Services Development Programs to provide incentives to attract psychiatrists, psychologists, psychiatric nurses, and public sector psychiatrists to practice in Indiana. The bill creates the Mental Health Services Development Programs Board (Board) to administer the programs. This bill also creates the Mental Health Services Loan Forgiveness Account and the Public Sector Psychiatry Development Program Account within the state General Fund to provide funding for the programs. The bill requires the Board to develop a public sector psychiatry residency tracking program.

(The introduced version of this bill was prepared by the Commission on Mental Health.)

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:** (Revised) This bill creates the Mental Health Services Development Programs Board whose purpose is to establish and oversee (1) a loan forgiveness program that is designed to attract psychiatrists, psychologists, and psychiatric nurses to the state, and (2) the Mental Health Services Programs that consists of both the Public Sector Psychiatry Development and Resident Training Track Program.

The legislation also specifies members of the Board and that members are entitled to reimbursement for travel expenditures and any expenditures associated with serving on the Board. The Board members are not entitled to a per diem for their service. State expenditures will depend on the distance traveled by Board members and any expenses incurred as a result of serving on the Board.

The bill creates two accounts: the Mental Health Services Loan Forgiveness Account and the Public Sector Psychiatry Development Account. Both accounts are administered by the Board, established within the General Fund, and consist of appropriations, grants, gifts, and bequests. Money in the accounts is continually appropriated and does not revert to the General Fund at the end of the fiscal year.

(Revised) *Background Information:* The purpose of the Public Sector Psychiatry Development Account is to provide funding for the Public Sector Psychiatry Development Program. Money in the account is used to fund psychiatry residency positions, which can include educational expenses, grants, scholarships, salaries, and benefits.

The purpose of the Mental Health Services Loan Forgiveness Account is to provide grants for loan repayment under the Mental Health Services Development Program.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** DMHA, State Department of Health, Treasurer of State.

**Local Agencies Affected:**

**Information Sources:** Dennis Jones, IUPUI; Cathy Boggs, DMHA.

**Fiscal Analyst:** Bill Brumbach, 232-9559.